

2. The following steps have been taken to help the sugar mills to overcome these problems;

(i) The Government have reduced the levy obligation of sugar factories from 40% to 30% with effect from 1-1-2000 with a view to improving the financial position of the sugar factory which would enable them to pay the cane price dues promptly.

(ii) To restrict inflow of imported sugar in the country, Government have increased the custom duty to 60% with effect from 9-2-2000, alongwith the existing countervailing duty of Rs, 850 per tonne.

(iii) The Government have been pursuing a policy of encouraging stability and reasonable level of sugar prices in the domestic market through judicious release of freesale sugar quotas to enable the sugar factories to clear the cane price dues of the farmers.

(iv) Government have, decided to allow export of 10 lakhs tonnes of sugar and exempt the sugar to be exported from levy obligation. This exemption has been given for a period of six months beginning from 1st June, 2000.

#### **Storage of Foodgrains by FCI**

524. SHRI R. P. GOENKA: Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) the stocks of foodgrains with the Food Corporation of India more than what are reasonably required;

(b) whether the excess stock put pressure on the storage capacity;

(c) whether all these stocks are stored under hygienic conditions;

(d) how much does the excess stock increase the cost of foodgrains to FCI; and

(e) whether it is not prudent to export a part of foodgrains held by FCI and the proceeds put in a separate account to be used whenever domestic shortages make imports necessary?

THE MINISTER OF STATE IN THE MINISTRY OF

[27 July, 2000]

RAJYA SABHA

CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) The stock of rice and wheat in the central pool as on 1-7-2000 as compared with buffer stock norms is as under:

(Figs, in lakh tonnes)

Commodity	Stocks	Buffer norms	Excess Stock
Rice	144.90	100.00	44.90
Wheat	277.57	143.00	134.57

(b) Due to all time high stock of 422.47 lakh tonne as on 1.7.2000 there is pressure on the storage capacity. However, stops have been taken to maximize the utilization of the available storage capacity. Wherever needed, additional storage is hired by the FCI from the CWC, SWC, private parties etc.

(c) Yes, sir.

(d) The excess stocks will increase carrying cost per year. The estimated carrying cost for the year 1999-2000 is Rs. 172.02 per quintal/year.

(e) Possibilities of export of wheat are being explored. However, no concrete response has so far emerged. Ruling prices of Central Pool wheat stock in India, as compared to the international prices, being high, export of Indian wheat has not been commercially viable.

#### **Storage of foodgrains**

† 525. SHRI BACHANI LEKHRAJ: Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that there is no capacity left for storing foodgrains in the stores of Food Corporation of India;

(b) whether it is also a fact that Government have taken a

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† Original notice of the question was received in Hindi.